

SIMPSON THACHER & BARTLETT LLP  
Special Counsel for Global Crossing Ltd.  
and certain of its subsidiaries,  
as Debtors and Debtors-in-Possession  
425 Lexington Avenue  
New York, New York 10017-3954  
(212) 455-2000

Hearing Date: April 22, 2004 at 9:45 a.m.

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re :  
: Chapter 11 Case Nos.  
: 02-40187 (REG) through  
GLOBAL CROSSING LTD., et al., : 02-40241 (REG)  
: (Jointly Administered)  
Debtors. :  
:  
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SECOND AND FINAL APPLICATION OF SIMPSON THACHER & BARTLETT LLP,  
AS CORPORATE, LITIGATION, TAX AND U.S. COUNSEL FOR DEBTORS AND  
DEBTORS IN POSSESSION, SEEKING FINAL ALLOWANCE OF  
COMPENSATION AND REIMBURSEMENT OF EXPENSES UNDER 11 U.S.C.  
§§ 330 AND 331 FOR THE PERIOD JANUARY 28, 2002 TO OCTOBER 31, 2002

Name of Applicant: Simpson Thacher & Bartlett LLP

Authorized to Provide Professional Services to: Global Crossing Ltd.  
and certain of its subsidiaries

Date of Retention Order: January 28, 2002

Role in Case: Corporate, Litigation, Tax and U.S. Counsel

Period for Which Compensation and  
Reimbursement is Sought: January 28, 2002 – October 31, 2002

**Current Application:**

Amount of Compensation Sought as Actual,  
Reasonable and Necessary in Current  
Application: \$890,690.33<sup>1</sup>

Amount of Expense Reimbursement Sought as  
Actual, Reasonable and Necessary in Current  
Application: \$53,964.17<sup>2</sup>

This is an: \_\_\_\_ interim  x  final application

**Prior Applications:** July 19, 2002

Fees Previously Requested in First  
Application: \$1,233,542.15

Fees Previously Paid (in connection with First  
Application and Monthly Fee Statements): \$1,229,367.32<sup>3</sup>

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<sup>1</sup> The total amount of compensation for which approval is sought herein relates to (i) amounts from previous Interim Fee Applications or Monthly Fee Statements subject to a 20% holdback (\$246,708.43 from the First Interim Period and \$60,633.40 from the May 2002 Monthly Fee Statement) and (ii) amounts from previous Monthly Fee Statements for which no payment has been made to date (\$264,719.00 from the June 2002 Monthly Fee Statement, \$279,402.50 from the July 2002 Monthly Fee Statement, \$14,153.00 from the August 2002 Monthly Fee Statement, \$22,029.00 from the September 2002 Monthly Fee Statement and \$3,045.00 from the October 2002 Monthly Fee Statement).

<sup>2</sup> The total amount of disbursements for which approval is sought herein relates to amounts from previous Monthly Fee Statements for which no payment has been made to date (\$15,395.49 from the June 2002 Monthly Fee Statement, \$24,449.91 from the July 2002 Monthly Fee Statement, \$8,480.58 from the August 2002 Monthly Fee Statement, \$3,554.67 from the September 2002 Monthly Fee Statement and \$2,083.52 from the October 2002 Monthly Fee Statement).

<sup>3</sup> “Fees Previously Paid” represents the total amount of fees requested and paid during the First Interim Period (\$986,833.72, which accounts for the 20% holdback of \$246,708.43) plus fees requested and paid pursuant to the May 2002 Monthly Fee Statement (\$242,533.60, which accounts for the 20% holdback of \$60,633.40).

Expenses Previously Requested in First Application:	\$48,717.16
Expenses Previously Paid (in connection with First Application and Monthly Fee Statements):	\$62,773.38 <sup>4</sup>
<b>Final Application:</b>	
Total Fees Requested:	\$2,120,057.65
Total Expenses Requested:	\$116,737.55

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<sup>4</sup> “Expenses Previously Paid” represents the total amount of expenses requested and paid during the First Interim Period (\$48,717.16) plus expenses requested and paid pursuant to the May 2002 Monthly Fee Statement (\$14,056.12).

**TIME SUMMARY TO FINAL FEE APPLICATION OF  
SIMPSON THACHER & BARTLETT LLP  
FROM JANUARY 28, 2002 THROUGH OCTOBER 31, 2002**

<u>NAME OF PROFESSIONAL</u>	<u>GRADUATION</u>	<u>PARTNER YEAR</u>	<u>HOURS</u>	<u>HOURLY RATE</u>
PARTNER				
Bruce Angiolillo	1977	1985	0.8	\$ 680.00
D. Rhett Brandon	1979	1986	516.9	\$ 680.00
Alvin H. Brown	1974	1989	38.5	\$ 680.00
Casey Cogut	1973	1980	34.3	\$ 700.00
John Creed	1985	1996	5.5	\$ 660.00
Paul C. Curnin	1987	1995	1.8	\$ 700.00
William Dougherty	1986	1996	144.2	\$ 660.00
Andrew Frankel	1990	1999	1.5	\$ 645.00
I. Scott Gottdiener	1990	2000	11.8	\$ 630.00
Robert Holo	1991	2001	32.6	\$ 600.00
Chet Kronenberg	1993	2002	5.55	\$ 570.00
Marni J. Lerner	1991	2000	67.3	\$ 630.00
John D. Lobrano	1983	1991	0.5	\$ 680.00
George Miller	1979	1989	11.7	\$ 680.00
Barry R. Ostrager	1972	1979	53.5	\$ 700.00
Roy L. Reardon	1954	1965	0.6	\$ 700.00
Brian Robbins	1988	1998	9.3	\$ 645.00
William T. Russell, Jr.	1990	1999	20.9	\$ 645.00
Alan G. Schwartz	1989	1998	48	\$ 645.00
Mark Thompson	1982	1991	20.05	\$ 680.00
Steve Todrys	1978	1996	0.3	\$ 680.00
Joseph Tringali	1980	1989	1.6	\$ 680.00
Joseph Wayland	1987	1994	4	\$ 660.00
Gregory A. Weiss	1969	1976	3.4	\$ 690.00
Kenneth Ziman	1990	2000	0.3	\$ 630.00
TOTAL PARTNER			1034.9	
BLENDED RATE				\$ 652.00

<u>NAME OF PROFESSIONAL</u>	<u>GRADUATION</u>	<u>HOURS</u>	<u>HOURLY RATE</u>
ASSOCIATE			
Olivier Antoine	1998	12.5	\$ 325.00
Amy T. Beller	1995	13	\$ 450.00
Rachel Berry	1996	1.2	\$ 425.00
Kimberly Boler	1999	36.9	\$ 325.00
Valerie Caproni	1979	96.6	\$ 470.00
Caroline Chang	2001	475.9	\$ 280.00
Tony Chang	1997	4.6	\$ 415.00
Paul Christenson	1999	17.8	\$ 375.00
Jeffrey L. Cohen	2000	0.1	\$ 325.00
Anthony Colarusso	2000	74.7	\$ 325.00
Jack M. D'Angelo	1995	3.9	\$ 450.00
Susan E. Digilio	1996	3.5	\$ 425.00
Richard Douglas	1993	0.5	\$ 450.00
Anette Dusing	1999	122.9	\$ 375.00
I. Erwin Dweck	2001	3.8	\$ 280.00
Kenneth Ehrhard	1994	0.4	\$ 325.00
Adeeb Fadil	1989	0.3	\$ 480.00
Tara Gabbai	1996	0.5	\$ 475.00
Bret Ganis	2001	1.9	\$ 280.00
Jennifer Goldman	1998	313.4	\$ 395.00
Elisha Graff	2000	40.25	\$ 325.00/390.00*
Maja D. Hazell	1998	25.2	\$ 395.00
Erik Hepler	1989	3.5	\$ 455.00
Joshua Isenberg	2001	15.2	\$ 325.00
Kate Jackson	2001	2	\$ 280.00
Meredith Jones	1997	15.7	\$ 415.00
Michelle Jubelirer	1999	10.9	\$ 375.00
Jessica Kaplan	2001	25.4	\$ 210.00
Joseph Kaufman	1994	102.8	\$ 470.00
Daniel J. Keenaghan	1973	12.9	\$ 360.00
Lori Lesser	1994	0.7	\$ 470.00
Justin Lungstrum	2000	0.2	\$ 325.00
Timothy Malin	1970	510.2	\$ 525.00
Francis C. Marinelli	1987	13.7	\$ 470.00
Kathrine McLendon	1989	1.4	\$ 475.00
Christopher McRorie	2001	6.3	\$ 210.00
Nancy Mehlman	1999	32.05	\$ 375.00
Sheldon A. Philp	2000	18.4	\$ 325.00/390.00*
Robin Quittell	2001	122.35	\$ 280.00

William Regan	1999	72	\$ 375.00
Amy Rubin	1996	0.3	\$ 425.00
Malik N. Russell	1999	1	\$ 325.00
Lanier Saperstein	1997	49.4	\$ 415.00/440.00*
Oliver Schiltz	2001	1.5	\$ 280.00
Karin Schmidt	2001	8.3	\$ 210.00
Katherine L. Seay	1999	12.9	\$ 325.00
Peter D. Shapiro	1999	71.7	\$ 375.00
Michael Shim	1999	161.1	\$ 327.00/415.00*
Mikaal Shoaib	1996	346.3	\$ 425.00
Steven C. Stickler	1989	0.5	\$ 460.00
Peder Thoreen	2001	14.7	\$ 210.00
Robert H. Trust	1998	1.2	\$ 395.00
Marisa Von Dongen	1999	0.3	\$ 375.00
Andrea Wahlquist	1995	40.5	\$ 425.00
George Wang	1998	135	\$ 395.00
Eric Webb	1993	30.35	\$ 470.00
Tara J. Wortman	1996	0.4	\$ 425.00
Andrew L. Wright	1999	0.6	\$ 375.00
Jonathan Wry	1997	68.7	\$ 415.00
TOTAL ASSOCIATE		3160.3	
BLENDED RATE			\$ 372.80

\* Change in hourly rate effective September 1, 2002.

<u>NAME OF PROFESSIONAL</u>	<u>HOURS</u>	<u>HOURLY RATE</u>
PARAPROFESSIONAL		
James Baird	2.2	\$ 120.00
Helen Bird	125.15	\$ 130.00
James Browne	6.5	\$120.00/125.00*
Simon Burce	26.2	\$ 120.00
Suzanne Chisholm	58.6	\$ 120.00
Carly Clarke	22	\$ 115.00
Wendy Colon	5	\$ 140.00
Angelica Crisi	12.9	\$ 115.00
Patricia Davis	3.2	\$ 135.00
Christopher Dillon	6.5	\$ 125.00
John Fitzgerald	36.6	\$ 120.00
Penny Frank	0.5	\$ 120.00
Colin Grey	1	\$ 210.00
Greta Goldberg	40	\$ 120.00
Elise Greven	3	\$ 115.00
Lars Hanson	7.5	\$ 130.00
Mary Hollins	8	\$ 90.00
Gwen Johnson	15.5	\$ 90.00
Thomas King	2.5	\$ 140.00
Delphine Lalanne	61.7	\$115.00/120.00*
Benjamin Langille	5.3	\$ 210.00
Ariane Le Roy	10	\$ 75.00
Steven Levine	15.2	\$ 125.00
Martin Lewis	28.9	\$ 120.00
Marisela Licerio	4.8	\$ 140.00
Deborah Lockwood	109.1	\$ 140.00
Brian Mahaney	4.5	\$ 125.00
Michael Maloy	2	\$ 135.00
Steven Metro	3.2	\$ 85.00
Emily Neye	0.8	\$ 120.00
Pamela Paccione	0.8	\$ 120.00
Megan Padilla	6.05	\$ 125.00
Robert Palme	7.8	\$ 188.00
Julie Prall	0.5	\$ 120.00
Aaron Raffel	407.8	\$ 120.00
Cynthia Raha	1.6	\$ 120.00
Steven Rettinger	1.5	\$ 125.00
Felicia Rosenzweig	7	\$ 125.00
Karim Rozwadowski	251.5	\$ 125.00
Virginia Russell	214.1	\$ 115.00
Gabriela Schwartz	2	\$ 115.00

Anthony Staltari	2.5	\$	85.00
Brian Treggs	16.3	\$	140.00
Neil Van Vuuren	4	\$	120.00
Sarah Vermylen	8.5	\$	120.00
Katherine Wallerstein	1	\$	130.00
Sean Weekes	7.5	\$	140.00
Tom Weiss	9.5	\$	135.00
Lance Whitman	0.5	\$	85.00
Patrick Wilkinson	6	\$	125.00
Yao Zhang	2.5	\$	125.00
TOTAL PARAPROFESSIONALS	1587.3		
BLENDED RATE		\$	122.00
AGGREGATE BLENDED RATE		\$	360.00

\* Change in hourly rate effective September 1, 2002.



TO THE HONORABLE ROBERT E. GERBER  
UNITED STATES BANKRUPTCY JUDGE:

Simpson Thacher & Bartlett LLP (“STB”), as corporate, litigation, tax and U.S. counsel for Global Crossing Ltd. and certain of its subsidiaries, as debtors and debtors-in-possession (the “Debtors”), hereby submits its second and final fee application (the “Final Fee Application”) seeking allowance of compensation and reimbursement of expenses pursuant to 11 U.S.C. §§ 330 and 331 for the period from January 28, 2002 through October 31, 2002 (the “Final Application Period”). STB submits this Final Fee Application for (a) allowance of reasonable compensation for professional services rendered by STB to the Debtors and (b) reimbursement of actual and necessary charges and disbursements incurred by STB in the rendition of required professional services on behalf of the Debtors.<sup>5</sup> In support of this Final Fee Application, STB represents as follows:

**Background**

4. On January 28, 2002 (the “Petition Date”), each of the Debtors commenced a case (collectively, the “Cases”) under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”). From the Petition Date until December 9, 2003, the Debtors operated their businesses and managed their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. On December 9, 2003, the Debtors’ plan of reorganization became effective and the Bankruptcy Code ceased to apply to the operation of the Debtors’ businesses and management of their properties.

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<sup>5</sup> On July 19, 2002, STB submitted its first interim fee application (the “First Fee Application”). The First Fee Application requested payment of fees and expenses for the period from January 28, 2002 through April 30, 2002 (the “First Interim Period”).

5. Each Debtor that is incorporated in Bermuda (collectively the “Bermuda Group”) commenced a coordinated proceeding in the Supreme Court of Bermuda. The Supreme Court of Bermuda issued an order appointing certain principals of KPMG International as Joint Provisional Liquidators (the “JPLs”) of the Bermuda Group. The Supreme Court of Bermuda directed the JPLs to oversee the continuation of Global Crossing under the control of its Board of Directors and under the supervision of the Supreme Court of Bermuda and this Court in effecting a plan of reorganization under the Bankruptcy Code.

6. By order dated January 28, 2002, STB was retained as corporate, litigation, tax and U.S. counsel to the Debtors to represent the Debtors in their chapter 11 cases.

7. This Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334 and the “Standing Order of Referral of Cases to Bankruptcy Judges,” dated July 10, 1984, of District Court Judge Robert T. Ward. Venue of these Cases and this Final Fee Application is proper in this district pursuant to 28 U.S.C. §§1408 and 1409. The statutory predicates for the relief sought herein are sections 330 and 331 of the Bankruptcy Code and Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

#### **Fee Procedure**

8. This Application has been prepared in accordance with the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases, adopted by the Court on April 19, 1995 (the “Local Guidelines”), the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330, dated January 30, 1996 (the “Trustee Guidelines,” and together with the Local Guidelines, the “Guidelines”), the Order, dated January 28, 2002, Under Local Rule 2016-1 and 11 U.S.C. §§105(a) and 331 Establishing Procedures for Interim

Compensation And Reimbursement Of Expenses of Professionals And Committee Members (the “Interim Compensation Order”) and the Order, dated August 21, 2002, Approving and Implementing Fee Committee and Fee Procedures Protocol. A certification regarding compliance with the Guidelines is attached hereto at Exhibit A. In compliance with the Guidelines, this Application includes a summary schedule commencing on page 4 setting forth all STB professionals and paraprofessionals who have rendered services to the Debtors during the Final Application Period, the hourly billing rate charged by STB for such services, the aggregate number of hours expended by such individual, and the year of such individual’s admission to practice law.

9. Pursuant to the Interim Compensation Order, professionals are permitted to file and serve monthly fee statements for each month for which compensation and reimbursement of expenses is sought. Unless an objection is received, the Interim Compensation Order authorizes the Debtors to pay eighty percent of fees and one hundred percent of reimbursable disbursements requested in a monthly fee statement.

10. On July 19, 2002, STB submitted the First Fee Application, which requested payment of fees and expenses for the First Interim Period. Pursuant to the First Fee Application, STB was paid a total of \$986,833.72 in fees and \$48,717.16 in disbursements, with a total of \$246,708.43 in fees not paid in accordance with the twenty percent holdback procedure established pursuant to the Interim Compensation Order.

11. During the period from June 20, 2002 to November 21, 2002, STB submitted six monthly fee statements that collectively cover the period from May 1, 2002 through October

31, 2002.<sup>6</sup> With respect to the monthly fee statement submitted on June 20, 2002 relating to the period from May 1, 2002 to May 31, 2002, STB was paid a total of \$242,533.60 in fees and \$14,056.12 in disbursements, with a total of \$60,633.40 in fees not paid in accordance with the twenty percent holdback procedure established pursuant to the Interim Compensation Order. With respect to the monthly fee statements previously submitted relating to the periods from June 1, 2002 to October 31, 2002 (representing a total of \$583,348.50 in fees and \$53,964.17 in expenses), STB was not paid any amount of fees or disbursements.

12. No agreement or understanding exists between STB and any other entity for the sharing of compensation received for services rendered in or in connection with these Cases.

13. STB maintained written records of the time expended by professionals and paraprofessionals in the rendition of professional services to the Debtors. Such time records were made substantially contemporaneously with the rendition of services by the person rendering such services. Attached as Exhibit B is a list of the different matter headings under which time has been recorded and the aggregate amount of hours and fees expended for each of those matters during the Final Application Period. Copies of the daily time records for the Final

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<sup>6</sup> In November 2002, because of the then-pending inquiry of the Special Committee of Global Crossing's Board of Directors (the "Special Committee") into matters that related to STB's representation of Global Crossing and affiliates prior to the commencement of these Cases, STB notified the Debtors and the United States Trustee of its intention to resign from its engagement. The Special Committee thereafter issued a report, dated February 18, 2003, that, among other things, alleged that there were potential claims by the estates against STB. STB vigorously disputes the report's conclusions and the existence of any such claims. On January 30, 2004, STB and the Liquidating Trustee and related entities (as successor to various estate causes of action, including the alleged claims raised in the report) reached a settlement agreement. The agreement, among other things, settled certain alleged preference claims against STB that also were asserted by the Liquidating Trustee, as well as all other potential claims of the estates. As a result, the Liquidating Trustee supports this Fee Application and the allowance and payment in full to STB of the amounts herein requested.

Application Period, broken down by matter and listing the name of the attorney or paraprofessional, the services performed (except for certain redacted matters), the date on which the services were performed, and the amount of time spent in performing the services are set forth in Exhibit D and have been previously furnished to the U.S. Trustee, the attorneys for the statutory committee of unsecured creditors, the Debtors, the attorneys for the Debtors and the attorneys for the Debtors' prepetition lenders in connection with each of the monthly fee statements filed by STB (and, with respect to STB's monthly statements for September 2002 and October 2002, to the Global Crossing Fee Committee).

14. STB seeks allowance of final compensation for professional services rendered to the Debtors during the Final Application Period in the aggregate amount of \$2,120,057.65 and for reimbursement of expenses incurred in connection with the rendition of such services in the aggregate amount of \$116,737.55. More specifically, STB also seeks: (i) allowance of the remaining twenty percent (20%) of compensation for professional services rendered to the Debtors for the First Interim Period, in the aggregate amount of \$246,708.43, and (ii) allowance of one-hundred percent (100%) of the compensation for professional services rendered to the Debtors for the period from May 1, 2002 to October 31, 2002, in the aggregate amount of \$886,515.50,<sup>7</sup> and for reimbursement of one-hundred percent (100%) of expenses incurred in connection with the rendition of such services in the aggregate amount of \$68,020.29.<sup>8</sup>

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<sup>7</sup> Includes fees of \$242,533.60 previously requested and paid pursuant to the May 2002 Monthly Fee Statement.

<sup>8</sup> Includes expenses of \$14,056.12 previously requested and paid pursuant to the May 2002 Monthly Fee Statement.

## **Summary of Services Provided**

15. STB's services in these cases have been necessary and beneficial to the Debtors and their estates, creditors and parties in interest. The following summary highlights the major areas to which STB devoted substantive time and attention during the Final Application Period.

### **ASSET DISPOSITIONS**

During the Final Application Period, STB provided legal services to the Debtors in connection with the potential sale of Global Marine and certain assets located in the United Kingdom. Such services included preparing draft asset purchase agreements (both under U.S. and U.K. law) and the various draft agreements contemplated thereby, assisting with the preparation of the related schedules, assisting the Company with compiling, organizing and indexing separate data rooms for each potential sale, preparing written data room procedures, monitoring bidders' access to data rooms, reviewing and commenting on offering memoranda to be circulated to potential bidders, and reviewing and commenting on form confidentiality agreements. During the Final Application Period, approximately 2,693 hours were devoted to these two matters, representing approximately 38% of total fees.

### **LITIGATION MATTERS**

During the Final Application Period, STB provided legal services to the Debtors in connection with various litigation matters, the most significant of which was in connection with the SEC and FBI investigations and related class action and derivative litigation arising from the allegations made by a former employee of Global Crossing. Such services included coordinating a response to the SEC's informal request for materials, initial efforts to coordinate responsive documents, communications with various third parties (including FBI, SEC and US Attorney's office), collection and review of relevant contractual documents and internal Company documents. Substantially all of the time related to this matter was incurred prior to March 1, 2002. In addition, STB provided legal services to the Debtors in connection with the Level 3 Arbitration, a 3rd party subpoena request in connection with the SEC investigation of an unrelated entity and the Shooker Subpoena. During the Final Application Period, approximately 877 hours were devoted to these litigation matters, representing approximately 16% of total fees.

### **GENERAL CORPORATE MATTERS**

During the Final Application Period, STB provided legal services to the Debtors in connection with the reporting obligations of Global Crossing Ltd. arising under

the U.S. Securities Exchange Act of 1934, as amended, including assistance with the preparation of various reports on Form 8-K and a statement submitted to the SEC under its Rule 12b-25 and the preparation of a memorandum for members of Global Crossing's board of directors. STB also assisted in the filing of monthly operating reports and responded to unsecured creditors committee's due diligence requests. Advice was also rendered in connection with, among other matters, the preparation of an audit response letter; the transfer of certain pension fund assets pursuant to agreements entered into with Citizens Communications in connection with the Debtors' former ILEC business and related inquiries from the Pension Benefit Guaranty Corporation (PBGC); and interpretation of the employment contracts of certain employees. During the Final Application Period, approximately 763 hours were devoted to these matters, representing approximately 15% of total fees.

### **ACTING GENERAL COUNSEL**

From September 2001 to March 1, 2002, a partner of STB acted as the acting general counsel of the Debtors. The agreement establishing that relationship was attached to the Declaration of Mark Thompson in Support of Debtor's Application for an Order Authorizing Debtors to Retain Simpson Thacher & Bartlett as Corporate, Litigation, Tax and U.S. Counsel. During the Final Application Period, approximately 715 hours were devoted to this matter, representing approximately 15% of total fees. The acting general counsel resigned on March 1, 2002 and, since that date, no further time was incurred in connection with this matter.

### **COMMERCIAL CONTRACT MATTERS**

During the Final Application Period, STB provided legal services to the Debtors in connection with several contracts with, among others, Level 3 Communications Inc. Ltd. and/or one or more of its affiliates, Lucent Inc., Telecom Italia and/or one or more of its affiliates, Alcatel, Impstat, Isthmus Crossing Services and Tycom Submarine Systems. Such services included providing advice regarding provisions of such contracts, defining strategy for enforcement of such contracts, coordinating with applicable local counsel and bankruptcy counsel regarding the interpretation of such contracts and the respective rights and obligations of the parties thereunder, and drafting and negotiating amendments to certain commercial contracts at the request of bankruptcy counsel. During the Final Application Period approximately 606 hours were devoted to commercial contract matters, representing approximately 14% of total fees.

### **OTHER MATTERS**

During the Final Application Period, STB provided legal services to the Debtors in connection with certain issues (principally under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (HSR)) relating to the potential investment by Hutchison Whampoa and Singapore Technologies in the Debtors

and in connection with certain questions arising under the U.S. federal income tax laws. During the Final Application Period, approximately 117 hours were devoted to these matters, representing approximately 2% of total fees.

16. As highlighted above, STB provided necessary and valuable services to the Debtors in connection with certain issues related to the foregoing matters. All of these services have assisted in the efficient administration of the Debtors' chapter 11 cases and compliance with the requirements of the Bankruptcy Code.

### **The Requested Compensation Should Be Allowed**

17. Section 331 of the Bankruptcy Code provides for compensation of professionals and incorporates the substantive standards of section 330 to govern the Court's award of such compensation. *See* 11 U.S.C. § 331. Section 330 provides that a court may award a professional employed under section 327 of the Bankruptcy Code "reasonable compensation for actual necessary services rendered . . . and reimbursement for actual, necessary expenses." 11 U.S.C. § 330(a)(1). Section 330 also sets forth the criteria for the award of such compensation and reimbursement:

In determining the amount of reasonable compensation to be awarded, the court should consider the nature, extent, and the value of such services, taking into account all relevant factors, including

- (A) the time spent on such services;
- (B) the rates charged for such services;
- (C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completing of, a case under this title;
- (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed; and
- (E) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.



11 U.S.C. § 330(a)(3). The Congressional intent and policy expressed in Section 330 of the Bankruptcy Code is to provide for adequate compensation to continue to attract qualified and competent practitioners to bankruptcy cases.

18. In the instant case, STB respectfully submits that the services for which it seeks compensation in this Final Fee Application satisfy the standards set forth in Section 330 of the Bankruptcy Code.

19. The services rendered by STB during the Final Application Period required an aggregate expenditure of 5,782.50 recorded hours of time of professionals and paraprofessionals. This Application includes a summary schedule commencing on page 4 setting forth all STB professionals and paraprofessionals who have rendered services to the Debtors during the Final Application Period, the hourly billing rate charged by STB for such services, the aggregate number of hours expended by such individual, and the year of such individual's admission to practice law (as such information has been previously filed with this court in connection with the First Fee Application and the monthly fee statements).

20. By rendering services and advice to the Debtors related to the matters outlined above, the services rendered by STB were in the best interests of the Debtors' estates.

21. STB further submits that the services rendered by STB during the Final Application Period were performed diligently and efficiently.

22. The fees charged by STB are billed in accordance with billing rates and procedures in effect during the Final Application Period and further detail is set forth in Exhibit D. The rates STB charges for the services rendered to the Debtors are the same rates charged in comparable matters and such fees are customarily charged by professionals rendering comparable services.

23. STB further submits that the compensation requested herein is reasonable in light of the nature, extent, and value of such services to the Debtors, their estates, and all parties in interest. In sum, approval of the compensation sought herein is warranted under the standards set forth in Section 330 of the Bankruptcy Code.

**The Request for Disbursements Should Be Allowed**

24. STB incurred actual and necessary out-of-pocket expenses during the Final Application Period, in connection with the rendition of the professional services described above. Attached hereto as Exhibit C is a schedule setting forth categories of expenses being requested for reimbursement and the aggregate amount of expenses for each such category. By this Application, STB respectfully requests allowance of such reimbursement in full.

25. In accordance with the Guidelines, the disbursements for which STB seeks reimbursement include the following:

- a. Duplicating - Charged at \$0.15 per page;
- b. Telecommunications - Long distance calls are billed at actual cost. Outgoing facsimile transmittals are billed at \$1.20 per page, while there is no charge for incoming facsimiles;
- c. Computer Research Charges - STB's practice is to bill clients for LEXIS and Westlaw research at actual cost;
- d. Overtime Expenses - STB's practice is to allow any attorney working later than 8:00 p.m. and any legal assistants working later than 7:00 p.m. to charge a working meal to the appropriate client. The meal charge has been limited to \$20.00 for these proceedings;
- e. Local Car Service - STB's practice is to allow attorneys to charge car service to the appropriate client after 7:30 p.m. when traveling within Manhattan and 9:30 p.m. for travel outside Manhattan. Legal assistants are allowed to charge car service to the appropriate client after 9:00 p.m.;
- f. Delivery Services - STB's practice is to charge postal, overnight delivery and courier services at actual cost; and

- g. Word Processing Charges – STB has voluntarily excluded “Word Processing” charges from its request for reimbursement.

MEMORANDUM OF LAW

26. STB submits that the relevant legal authorities are set forth herein and that the requirement pursuant to Local Bankruptcy Rule 9013-1 that STB file a memorandum of law in support of this Application is satisfied.

NOTICE

22. STB submits that notice of this Final Fee Application has been provided to: (i) the Debtors; (ii) attorneys for the Debtors; (iii) attorneys for the prepetition Lenders; (iv) counsel to the Official Committee of Unsecured Creditors; (v) Office of the United States Trustee for the Southern District of New York; (vi) the JPLs; (vii) counsel to the JPLs; and (viii) each member of the Global Crossing Fee Committee.

27. STB submits that no other or further notice need be provided.

## CONCLUSION

WHEREFORE, STB respectfully requests allowance of final compensation for professional services rendered to the Debtors during the Final Application Period in the aggregate amount of \$2,120,057.65 and for reimbursement of expenses incurred in connection with the rendition of such services in the aggregate amount of \$116,737.55, including (i) allowance of the remaining twenty percent (20%) of compensation for professional services rendered to the Debtors for the First Interim Period, in the aggregate amount of \$246,708.43 and (ii) allowance of one-hundred percent (100%) of the compensation for professional services rendered to the Debtors for the period from May 1, 2002 to October 31, 2002, in the aggregate amount of \$886,515.50,<sup>9</sup> and for reimbursement of one-hundred percent (100%) of expenses incurred in connection with the rendition of such services in the aggregate amount of \$68,020.29.<sup>10</sup> STB also respectfully requests the Court grant STB such other and further relief as is just.

Dated: New York, New York  
February 9, 2004

/s/ Peter V. Pantaleo  
Peter V. Pantaleo (PVP 5932)  
Simpson Thacher & Bartlett LLP  
Special Counsel for Global Crossing Ltd.  
and certain of its subsidiaries,  
as Debtors and Debtors-in-Possession  
425 Lexington Avenue  
New York, New York 10017-3954  
(212) 455-2000

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<sup>9</sup> Includes fees of \$242,533.60 previously requested and paid pursuant to the May 2002 Monthly Fee Statement.

<sup>10</sup> Includes expenses of \$14,056.12 previously requested and paid pursuant to the May 2002 Monthly Fee Statement.

**Proposed Order**

SIMPSON THACHER & BARTLETT LLP  
Special Counsel for Global Crossing Ltd.  
and certain of its subsidiaries,  
as Debtors and Debtors-in-Possession  
425 Lexington Avenue  
New York, NY 10017-3954  
(212) 455-2000

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

\_\_\_\_\_x

In re:

GLOBAL CROSSING LTD., et al.,  
  
Debtors.

Chapter 11 Case Nos.  
02-40187 (REG) through  
02-40241 (REG)  
(Jointly Administered)

\_\_\_\_\_x

**ORDER GRANTING APPLICATION FOR ALLOWANCE OF  
FINAL COMPENSATION AND REIMBURSEMENT OF EXPENSES**

Upon consideration of Second and Final Application of Simpson Thacher & Bartlett LLP Seeking Final Allowance of Compensation and Reimbursement for the Period from January 28, 2002 to October 31, 2002 (the "Application"); and a hearing having been held before this court to consider the Application on \_\_\_\_\_, 2004; and notice having been given pursuant to Federal Rules of Bankruptcy Procedure 2002 (a) (7) and (c) (2); and due consideration having been given to any responses thereto; and sufficient cause having been shown therefor, it is hereby;

ORDERED that the Application is granted to the extent set forth in Schedule "A".

Dated: New York, New York  
\_\_\_\_\_, 2004

\_\_\_\_\_  
United States Bankruptcy Judge  
Southern District of New York

Case No.: 02-40187 (REG) through 02-40241  
(REG) (Jointly Administered)  
Case Name: Global Crossing LTD., et al.

**SUMMARY: ALL FEE PERIODS**

<b>APPLICANT</b>	<b>TOTAL FEES REQUESTED</b>	<b>TOTAL FEES AWARDED</b>	<b>TOTAL EXPENSES REQUESTED</b>	<b>TOTAL EXPENSES AWARDED</b>
Simpson Thacher & Bartlett LLP	\$2,120,057.65		\$116,737.55	